

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7263

BILL NUMBER: HB 2091

DATE PREPARED: Feb 9, 2001

BILL AMENDED: Feb 8, 2001

SUBJECT: License Plates.

FISCAL ANALYST: James Sperlik

PHONE NUMBER: 232-9866

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: (Amended) This bill creates a: 1) Children's Museum of Indianapolis; 2) Indiana Moose Association; 3) Indiana Animal Friendly; 4) Korean War Veteran; 5) Broad Ripple Village Association; 6) National Association for Stock Car Auto Racing (NASCAR); 7) Indiana Domestic Violence and; 8) Indiana University Purdue University at Fort Wayne Trust special group recognition license plates. It specifies the method of distribution for the funds deposited in the Children's Museum of Indianapolis, Indiana Moose Association, Indiana Animal Friendly, Korean War Veteran, Broad Ripple Village Association, National Association for Stock Car Auto Racing (NASCAR), Indiana Domestic Violence, and Indiana University Purdue University at Fort Wayne Trust Funds. It reauthorizes sale of Girl Scout Trust special group recognition license plates. The bill makes conforming amendments.

Effective Date: (Amended) Upon Passage; January 1, 2002; January 1, 2003.

Explanation of State Expenditures: (Revised) There would be additional expenses for the Prison Enterprise Network (PEN Products), the manufacturing arm of prison-made products, to make these plates. Their charges would be based on the number of colors in the design as shown in the schedule below:

Colors	Set-Up Charges	Price Per Plate (01-03)*
1	\$105	\$3.90
2	170	4.00
3	235	4.10
4	300	4.30
5	365	4.60
6	430	5.00

*For the 2001-2003 biennium.

Additional charges include \$75 per color for any special colors that are not included in PEN's ten standard colors. If PEN Products does the artwork, there is a \$45 per hour charge. Origination fees include the film

positives and the silk screen charges. When artwork is provided by the customer, the set-up fee is \$17.50. The fund affected for PEN Products is PEN Products Revolving Fund.

The above charges apply to all of the newly created trust license plates. These costs do not apply to the Korean War Veteran license plate. The cost for this plate is \$2.60.

1) Children's Museum of Indianapolis.

The bill provides that the Commissioner of the Bureau of Motor Vehicles shall administer the newly created Children's Museum of Indianapolis Trust Fund. Expenses of administering the Fund shall be paid from the Fund. On June 30 of each year the Commissioner shall distribute the money from the fund to The Children's Museum of Indianapolis.

2) Indiana Moose Association.

The Commissioner of the BMV is to administer the newly created Indiana Moose Trust Fund. Expenses of administering the fund shall be paid from money in the fund. Money in the Indiana Moose Trust Fund at the end of a state fiscal year does not revert to the State General Fund. On June 30 of each year, the Commissioner shall distribute the money in the Indiana Moose Trust Fund to the Indiana Moose Association, for distribution to Mooseheart, the "Child City".

3) Indiana Pet Friendly.

The Commissioner of the BMV is to administer the newly created Indiana Pet Friendly Trust Fund. Expenses of administering the fund shall be paid from money in the fund. Money in the fund at the end of a state fiscal year does not revert to the State General Fund.

The proposal also creates the Indiana Pet Friendly Trust Fund Committee. The Committee consists of seven members with one member representing each of the following organizations: 1) the Indiana Veterinary Medical Association; 2) the Indiana State Board of Animal Health; 3) a shelterless humane organization; 4) a private sheltered humane organization; 5) an animal care and control facility administered by a governmental unit (as defined in IC 36-1-2-23); 6) the Purdue University School of Veterinary Medicine; and 7) one member representing the general public. Expenses of the Committee shall be paid from the Pet Friendly Trust Fund.

The expenses of the Committee shall be paid from the Indiana Pet Friendly Trust Fund. On June 30 of each year, the Commissioner of the BMV shall distribute the money in the Fund according to the determinations made by the Committee. The Committee shall determine the use of the funds in the following manner:

- A) Grants for payment of spay and neuter solutions for dogs and cats. (Each grant shall include not more than 2% for educational purposes to promote the spaying and neutering of dogs and cats.)
- B) Not more than 2% of the fund each year may be used for the promotion of the Indiana Pet Friendly license plate.
- C) Not more than 5% of the fund each year may be used for administrative purposes related to the Committee.

4) Korean War Veteran Trust Plate,

This plate is not a special recognition license plate and does not have any special distributions.

5) Broad Ripple Village Association

The Commissioner of the BMV is to administer the newly created Broad Ripple Village Association Trust Fund. Expenses of administering the newly created fund shall be paid from money in the fund. Money in the Broad Ripple Village Association Trust Fund at the end of a state fiscal year does not revert to the State General Fund. On June 30 of each year, the Commissioner shall distribute the money in the fund to the Broad Ripple Village Association, Inc.

6) National Association for Stock Car Auto Racing (NASCAR).

The Commissioner of the BMV is to administer the NASCAR Trust Fund. Money in the NASCAR Trust Fund at the end of a State fiscal year does not revert to the State General Fund. On June 30 of each year, the Commissioner shall distribute the money in the NASCAR Trust Fund to the Commission for a Drug Free Indiana. (The Commission's purpose is to improve the coordination of alcohol and other drug abuse efforts at both the state and local levels in an effort to eliminate duplication of efforts while ensuring that comprehensive alcohol and other drug programs are available throughout Indiana.)

7) Indiana Domestic Violence.

The Commissioner of the BMV is to administer the newly created Indiana Domestic Trust Fund. Money in the Fund does not revert to the State General Fund at the end of the state fiscal year. On June 30 of each year the Commissioner of the Bureau of Motor Vehicles shall distribute the money from the Fund to the Indiana Coalition Against Domestic Violence.

8) Indiana University Purdue University at Fort Wayne.

The Commissioner of the BMV is to administer the newly created fund. Expenses of the Fund shall be paid from money in the Fund. On June 30 of each year, the Commissioner of the Bureau of Motor Vehicles shall distribute the money from the Fund to the Indiana University Purdue University at Ft. Wayne Foundation.

Explanation of State Revenues: (Revised) Potential revenue from the sales of the newly created license plate is not known. There will be an administrative fee of \$12 charged for each plate. Revenue from this fee is distributed as follows: the State License Branch Fund, which supports the license branches, receives \$6; the Motor Vehicle Highway Account, which supports the BMV, receives \$5; and \$1 is deposited into the Crossroads 2000 Program for highway bonding.

In 1999, sales of the existing 41 special plates ranged from 37 Marine Reserve plates to 76,264 Children's Trust plates. Within this potential sales range, revenue resulting from the existing \$12 administrative fee would range from a minimum of \$444 to a maximum of \$915,168 for each plate.

The bill also provides for a \$25 annual fee for the newly created plates, with the exception of the Korean War Veteran license plate. Revenue resulting from the \$25 annual fee could range from \$925 to \$1,906,600.

It should be noted that it is possible that sales of these special plates could, to some extent, supplant the sales of the other special plates. The newly created license plates will be available after December 31, 2002.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Bureau of Motor Vehicles; Department of Correction (PEN Products).

Local Agencies Affected: Broad Village Association; recipients of funds from the Pet Friendly license plate.

Information Sources: Becky Gillam, Sales and Marketing Director of PEN Products, 387-2020; Bureau of Motor Vehicles license plate data for 1999.